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INFORMATION REPORT

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COUNTRY Czechoslovakia

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1. Twelve channels have been dug at undisclosed points along the Dyje River, which forms the border between Moravia and Lower Austria. These channels are to serve a hydroelectric plant which is being built in that region, but they also constitute military terrain obstacles of more than incidental importance.

2. Further work is in progress for the building of two hydroelectric plants which are to generate 40,000 KW each. One will be located at Znojmo-Byci Skala (S06) and the other at Oslavany (S/29) at the point where a new canal will join the Oslovka and Jihlavka rivers.

3. The chemical factory at Novaky (T97), Slovakia, recently began the manufacture of Igelit, a nylon-type product.

4. In order to facilitate the exportation of glassware to hard currency areas, export prices have been fixed at levels substantially below cost. Blown round glass is being offered for sale at 30 percent below cost. Export earnings for 1949 will lag 40 percent below the amount originally anticipated.

5. It is estimated that the Czechoslovak coal mines will fulfill between 70 and 80 percent of the output quota for 1949. The lignite mines will come within 80 or 85 percent of the quota. Workers at the Falknov mines recently went on strike against the introduction of "Stakhanovism".

6. The Czechoslovak sugar beet processing industry was caught unprepared for the autumn harvest, and unspecified quantities of sugar beets rotted at the collecting points for lack of processing facilities. This situation arose out of the confusion resulting from the dismissal of eight factory managers. A further cause was the non-delivery of machinery replacements.

7. The Czechoslovak textile industry's quota for 1949 is expressed in terms of value. The figure which was set is not known, but it is estimated that the industry will fulfill 80 percent of the year's quota calculated on the basis of domestic prices. On the basis of the much lower prices paid by Russia, the fulfillment figure will stand at only 60 or 65 percent. Sales at the state-owned free stores, where textile products may be purchased outside the ration but at enormously inflated prices, will not make up the deficit.

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